

IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

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PETITION FOR EXEMPTION OF
CERTAIN SERVICES

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T.R.A. DOCKET ROOM

DOCKET NO. 03-00391

**CONSUMER ADVOCATE AND PROTECTION DIVISION'S SECOND SET OF
DISCOVERY REQUESTS REGARDING PRIMARY RATE ISDN SERVICE
PROPOUNDED TO BELL SOUTH TELECOMMUNICATIONS, INC.**

Comes now Paul G. Summers, Attorney General and Reporter for the State of Tennessee, through the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate"), pursuant to Tenn. Code Ann. § 65-4-118(c)(2)(A) and the Tennessee Rules of Civil Procedure, and hereby propounds the following Discovery Requests to:

BellSouth Telecommunications, Inc
c/o Joelle Phillips, Esq.
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300

These Interrogatories and Requests for Production are hereby served upon BellSouth Telecommunications, Inc. ("BellSouth" or "Company"), pursuant to Rules 26, 33 and 34 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg 1220-1-2-.11. The Consumer Advocate requests that full and complete responses be provided pursuant to the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Consumer Advocate and Protection Division, 425 Fifth Avenue North, Nashville, Tennessee 37243, c/o Joe Shirley, on or before September 13, 2004.

PRELIMINARY MATTERS AND DEFINITIONS

Each Discovery Request calls for all knowledge, information and material available to the Company, as a party, whether it be the Company's, in particular, or knowledge, information or material possessed or available to the Company's attorney or other representative.

These Discovery Requests are to be considered continuing in nature, and are to be supplemented from time to time as information is received by the Company which would make a prior response inaccurate, incomplete, or incorrect. In addition, the Consumer Advocate requests that the Company supplement responses hereto with respect to any question directly addressed to the identity and location of persons having knowledge of discoverable matters, and the identity of each person expected to be called as an expert at hearing, the subject matter on which the expert is expected to testify, and the substance of the expert's testimony.

These Discovery Requests are to be interpreted broadly to fulfill the benefit of full discovery. To assist the Company in providing full and complete discovery, the Consumer Advocate provides the following definitional guidelines for purposes of responding to these Interrogatories and Requests for Production.

The term "communication" as used herein, means any transmission of information by oral, graphic, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, or otherwise.

The term "document" as used herein, means any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not

limited to any writing, drawing, graph, chart, form, photograph, tape recording, computer disk or record, or other data compilation in any form without limitation. Produce the original and each copy, regardless of origin or location, of any book, pamphlet, periodical, letter, note, report, memorandum (including memoranda, note or report of a meeting or conversation), spreadsheet, photograph, videotape, audio tape, computer disk, e-mail, or any other written, typed, reported, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced, which is in your possession, custody or control or which was, but is no longer, in your possession, custody, or control. If any such document or thing was, but no longer is, in your possession or control, state what disposition was made of it and when. If a document exists in different versions, including any dissimilar copies (such as a duplicate with handwritten notes on one copy), each version shall be treated as a different document and each must be identified and produced.

The term “you” and “your” shall mean and include: BellSouth Telecommunications, Inc. and all employees, agents and representatives thereof.

The term “person” or “persons” as used herein refers to any natural person, corporation, firm, company, sole proprietorship, partnership, business, unincorporated association, or other entity of any sort whatsoever. Where a company or organization is the party being served, all responses must include the company’s response. Moreover, the company’s designated person for responding must assure that the company provides complete answers. *A complete answer must provide a response which includes all matters known or reasonably available to the company.*

The term “identity” and “identify” as used herein, with respect to any person, means to provide their name, current business address, current business telephone number, and the

occupation or job title of that person; with respect to an entity, those terms that mean to provide the name by which said entity is commonly known, the current address of its principal place of business, and the nature of business currently conducted by that entity; with respect to any document, those terms that mean to provide the date of the document, the nature of the document, and the title (if any) of the document.

The terms “and” and “or” shall be construed conjunctively or disjunctively as necessary to include any information that might otherwise be construed outside the scope of these requests.

The term “USOC” means universal service order code.

If you produce documents in response to these Interrogatories, produce the original of each document or, in the alternative, identify the location of the original document. If the “original” document is itself a copy, that copy should be produced as the original.

If any objections are raised on the basis of privilege or immunity, include in your response a complete explanation concerning the privilege asserted.

If you contend that you are entitled to refuse to fully answer any of this discovery, state the exact legal basis for each such refusal.

If any of the Interrogatories or Requests for Production is not answered on the basis of privilege or immunity, include in your response to each such Interrogatory or Request for Production a written statement evidencing:

- (a) the nature of the communication;
- (b) the date of the communication;
- (c) the identity of the persons present at such communication; and
- (d) a brief description of the communication sufficient to allow the Tennessee

Regulatory Authority ("TRA") to rule on a motion to compel.

If, for any reason, you are unable to answer a Discovery Request fully, submit as much information as is available and explain why your answer is incomplete. If precise information cannot be supplied, submit 1) your best estimate, so identified, and your basis for the estimate and 2) such information available to you as comes closest to providing the information requested. If you have reason to believe that other sources of more complete and accurate information exist, identify those sources.

If any information requested is not furnished as requested, state where and how the information may be obtained or extracted, the person or persons having knowledge of the procedure and the person instructing that the information be excluded.

SECOND DISCOVERY REQUESTS

INTERROGATORIES

Consistent with the preceding definitions and preliminary matters, answer under oath the following specific Interrogatories:

Interrogatory No. 1

Describe in detail the market conditions requiring an increase in rates for PRI ISDN in Tennessee.

Response:

Interrogatory No. 2

Does BellSouth plan to increase rates for any USOC necessary in the provision of PRI ISDN in Tennessee over the next five years?

Response:

Interrogatory No. 3

Provide the date and amount of all rate reductions made under either T.C.A. § 65-5-209 (Price Cap Plan) or T.C.A. § 67-6-222 (Ad Valorem Tax Reduction Fund) for each USOC related to the provision of PRI ISDN.

Response:

Interrogatory No. 4

Does the Company contend that its costs for the provision of PRI ISDN in Tennessee is greater than its competitors' costs for the provision of PRI ISDN in Tennessee? If so, state the basis for this contention and describe the conditions contributing to the competitors' lower costs for the provision of PRI ISDN in Tennessee

Response:

Interrogatory No. 5

For each PRI ISDN service identified in response to Interrogatory No. 7 of the first set of discovery requests, set forth the quantity of service provisioned to Tennessee customers for all contract service arrangements (“CSAs”), including Volume and Term agreements, as of the following dates, as applicable (1) January 1, 1999; (2) June 30, 1999; (3) January 1, 2000; (4) June 30, 2000; (5) January 1, 2001; (6) June 30, 2001; (7) January 1, 2002; (8) June 30, 2002; (9) January 1, 2003; (10) June 30, 2003; (11) January 1, 2004; and (12) June 30, 2004.

Response:

Interrogatory No. 6

For each PRI ISDN service identified in response to Interrogatory No. 7 of the first set of discovery requests, set forth the quantity of service provisioned to Tennessee customers for all promotional programs identified in response to Interrogatory No. 10 of the first set of discovery requests as of the following dates, as applicable (1) January 1, 1999; (2) June 30, 1999, (3) January 1, 2000; (4) June 30, 2000; (5) January 1, 2001; (6) June 30, 2001; (7) January 1, 2002; (8) June 30, 2002; (9) January 1, 2003; (10) June 30, 2003; (11) January 1, 2004; and (12) June 30, 2004.

Response:

Interrogatory No. 7

For each PRI ISDN service identified in response to Interrogatory No. 7 of the first set of discovery requests, set forth the quantity of service provisioned to resellers of such service in Tennessee as of the following dates, as applicable (1) January 1, 1999; (2) June 30, 1999; (3) January 1, 2000; (4) June 30, 2000; (5) January 1, 2001; (6) June 30, 2001; (7) January 1, 2002; (8) June 30, 2002; (9) January 1, 2003; (10) June 30, 2003; (11) January 1, 2004; and (12) June 30, 2004.

Response:

Interrogatory No. 8

Does BellSouth advertise and market their PRI ISDN services in Tennessee? If so, provide the advertising and marketing expenses incurred for PRI ISDN services in Tennessee for the years ended 1999-2003 by year.

Response:

Interrogatory No. 9

If an exemption were granted to BellSouth for PRI ISDN services and BellSouth decided to raise its rates for PRI ISDN, then is it likely that BellSouth's competitors would increase their PRI ISDN rates? If not, why not?

Response:

Interrogatory No. 10

Provide the business and technical reasons for BellSouth's PRI ISDN Control Channels in Tennessee to increase from 4,379 in 1999 to 6,341 in 2003 (Source FCC ARMIS Reports 43-08), an increase of 44.80%.

Response:

Interrogatory No. 11

After searching the public tariffs on file with the TRA, the Consumer Advocate has been unable to identify Sprint's Tennessee tariff for the provisioning of PRI ISDN. Identify the Tennessee PRI ISDN tariff for the Sprint company that BellSouth listed as a competitor for PRI ISDN service in response to Interrogatory No. 5 of the first set of discovery requests.

Response:

Interrogatory No. 12

For each PRI ISDN competitor identified in response to Interrogatory No. 5 of the first set of discovery requests, identify with specificity the geographic areas or markets in Tennessee where BellSouth is in competition with the competitor for PRI ISDN customers.

Response:

REQUESTS FOR PRODUCTION

Consistent with the preceding definitions and preliminary matters, produce the following communications and documents:

Request for Production No. 1

Provide a copy of every Revenue, Cost & Contribution Summary for every CSA offering PRI-ISDN in Tennessee. Include in your response all Volume & Term CSAs providing PRI ISDN in Tennessee.

Response:

Request for Production No. 2

Provide all documents, communications, and correspondence discussing any rate increase related to the provisioning of PRI ISDN in Tennessee.

Response:

Request for Production No. 3

Provide documents and communications relating to all cost studies performed by BellSouth for the provision of PRI ISDN in Tennessee.

Response:

OATH

STATE OF _____

COUNTY OF _____

I, _____, on behalf of BellSouth Telecommunications, Inc., being first duly sworn according to law, make oath that the preceding answers and responses to the Interrogatories submitted by the Consumer Advocate and Protection Division of the Office of the Attorney General are true, accurate and correct to the best of my knowledge, information and belief.

BELLSOUTH TELECOMMUNICATIONS, INC.

By: _____

Its: _____

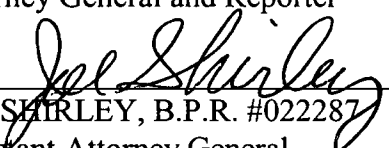
Sworn to and subscribed before me this _____ day of _____, 2004.

Notary Public

My Commission Expires: _____

RESPECTFULLY SUBMITTED,

PAUL G. SUMMERS, B.P.R. #6285
Attorney General and Reporter



JOE SHIRLEY, B.P.R. #022287
Assistant Attorney General
Office of the Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202
(615) 532-2590

Dated: August 30, 2004

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via facsimile and first-class U.S. Mail, postage prepaid, on August 30, 2004, upon:

Joelle Phillips, Esq.
BellSouth Telecommunications, Inc.
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300
Facsimile: 615-214-7406

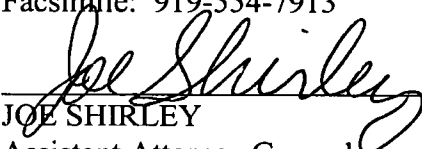
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